less tax burden, which means VAT should not lead to increase in prices. This is also corroborated by the international experience.

(c) to (e) VAT presently being implemented by the States in a State subject. Hence, any decision regarding measures to be taken to bring consensus among the traders is to be taken by the States.

Restructuring of Ailing Co-operatives

3457. DR. T. SUBBARAMI REDDY:
SHRIMATI AMBIKA SONI:
SHRI RAMA MUNI REDDY SIRIGIREDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether he has discussed at length the task force report on restructuring of ailing Co-operatives in India;

(b) if so, whether the task force had observed that any financial restructuring without tracing the root cause of weakness of Co-operatives would not result in a sustained revival of the system;

(c) if so, whether it had recommended number of measures to be taken;

(d) whether he has accepted recommendations of the task force; and

(e) by when, they are likely to be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir.

(c) The Task Force has, *inter-alia*, made the following recommendations:-

(i) Ensuring full voting rights on all users of financial services including depositors;

(ii) Ensuring timely elections and limiting the exercise of powers of the State Governments to supersede Boards;

(iii) Permitting co-operatives registered under parallel acts (in States applicable) to be members of co-operatives registered under the Co-operative Societies Acts and vice versa;

(iv) Bringing co-operative banks on par with commercial banks in terms of prudent financial regulation;

(v) Prescribing capital adequacy norms and minimum qualification for Chief Executive Officers of Co-operative Banks;

(vi) Prohibiting any co-operative other than a co-operative bank from accepting public deposits from any person other than its members; and

(vii) Exiting from equity participation in share capital of co-operatives by State Governments.

(d) and (e) The Report of the Task Force has been accepted in principle for implementation in States that show willingness to accept the recommendations. Consultations with State Governments have been initiated.

FDI in PSUs

3458. SHRI TARINI KANTA ROY:
SHRI MATILAL SARKAR:

Will the Minister of FINANCE be pleased to state:

(a) the number and the names of Government undertakings where FDI has entered during the current year;

(b) the names of Government sponsored organisations where foreign direct investment has increased during the current financial year; and

(c) the reasons behind these occurrences?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c): The information is being collected and will be laid on the Table of the House.

P.L.R. based Interest Rates

†3459. SHRIMATI PREMA CARIAPPA:
SHRI MOTILAL VORA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India has not framed clear guidelines regarding interest rates based on P.L.R. due to which banks are recovering interests from P.L.R arbitrarily;

†Original notice of the question was received in Hindi.